

very serious about getting something done.

Mr. SARBANES. Madam President, I express my appreciation to the managers of the bankruptcy bill, Senators LEAHY, TORRICELLI, GRASSLEY, and HATCH, for accepting and including an amendment I had planned to offer on the floor as part of the managers' amendment to S. 625. My amendment requires that a simple yet important disclosure be made on credit card bills to help protect consumers.

During the bankruptcy reform debate in the last Congress, the Senate examined whether the increased rate of consumer bankruptcies in the Nation resulted solely from consumers' access to an excessively permissive bankruptcy process, or whether other factors also contributed to this increase. Ultimately we concluded that the record increase in bankruptcy filings across the nation was due not only to the ease with which one can enter the bankruptcy system, but also to the unparalleled levels of consumer debt—especially credit card debt—being run up across the country. As Senator DURBIN noted, and as the CBO, FDIC, and numerous economists have found, the rate of increase in bankruptcy filings paralleled the rate of increase in consumer debt.

This is not a coincidence. Rather, increased bankruptcies proceed directly from the fact that Americans are bombarded daily by credit card solicitations that promise easy access to credit without informing their targets of the implications of signing up for such credit.

During our debate in the last Congress, the Senate also concluded that irresponsible borrowing could be reduced, and many bankruptcies averted, if Americans were provided with some basic information in their credit card materials regarding the consequences of assuming greater debt. A consensus emerged that credit card companies have some affirmative obligation to provide such information to consumers in their solicitations, monthly statements, and purchasing materials, in light of their aggressive pursuit of less and less knowledgeable borrowers.

As a result of this consensus, the Senate's bankruptcy bill in the last Congress—S. 1301—contained several provisions in the managers' amendment addressing credit card debt, and requiring specific disclosures by credit card companies in their payment and solicitation materials. These provisions, which I sponsored along with Senators DODD and DURBIN, were vital to the Senate's success in adopting balanced bankruptcy reform legislation by the overwhelming margin of 97-1.

Unfortunately, the House-Senate conference committee struck these disclosure provisions from its final conference report, leaving the bankruptcy bill again a one-sided document that

failed to account for the role credit card companies play in the accumulation of credit card debt and in increased consumer bankruptcy rates. As a result of the conference committee's actions, the conference report died in the waning days of the 105th Congress.

As we again debate bankruptcy legislation, it remains my firm belief that Congress must address both sides of the consumer bankruptcy equation—both the flaws in the bankruptcy system that make it easy for people to declare bankruptcy even if they have the ability to pay their debts, and the lending practices that encourage people with limited financial resources to accumulate debts that are beyond their ability to repay.

Last year, the Senate adopted an amendment to S. 625 that requires credit card issuers to give customers on their billing statements three disclosures: (1) warning that paying just the minimum monthly amount will increase the interest they pay and the time it takes to repay their balances; (2) a generic example; and (3) a toll-free number a customer can call for an estimate of how long he or she has to pay the minimum payment and the total payment to pay off his balance. However, the amendment contained an exception for certain credit card issuers that provide actual, instead of estimated, payment information. Such a credit card issuer would not have to disclose the warning, an example, or even the telephone number. This situation subverted the purpose of this section and distorted the balance contained in the original amendment.

My amendment would restore this balance by requiring some disclosures to be given by certain credit card issuers that have a toll-free number for informing customers of the actual number of months it takes to repay outstanding balances using minimum monthly payments requirement. It requires such credit card issuers to make two disclosures: (1) the telephone number and (2) a warning. My amendment requires the credit card bill to contain the statement, "Minimum Payment Warning: Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance. For more information, call this toll-free number: _____."

If we are going to make it harder for individuals to file for bankruptcy, we need to make certain that they are informed about their credit decisions. The minimal warning contained in my amendment helps credit card customers who pay the minimum monthly amount on their credit card bills better understand how long it will take and how much they will pay to work off the balance. The Financial Literacy Center has calculated that a consumer who, for example, has a \$5,000 loan balance outstanding on which 17% interest is charged and who is paying 2% of the

balance each month, will take 50 years to pay off the entire loan and end up paying \$33,447. That is a very long time and a significant burden that, with the disclosures in my amendment, debtors will be able to better appreciate.

My amendment helps consumers get important information that will enable them to analyze how to manage their credit card borrowing more effectively.

MORNING BUSINESS

Mr. GRASSLEY. Madam President, on behalf of the majority leader, I ask unanimous consent that there be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL BIOTECHNOLOGY MONTH

Mr. HATCH. Madam President, as we come to the end of the first month of the new millennium, I want to make a few remarks about the great promise of biotechnology in benefitting the American public. In fact, January 2000 has been very appropriately designated as Biotechnology Month.

In my view, this first century of the new millennium will be remembered by historians for revolutionary advances in biomedical research. It is fitting that in the next few months scientists will complete the mapping of the human genome—the basic blueprint of the structure of human beings. This event ranks very high in the technological achievements of mankind.

It is also noteworthy that this task required the confluence of some of the best minds in the medical sciences and computer technology. Frankly, the mapping of the human genome simply would not have been possible at this time absent the development of the low-cost, high-speed computers that have been available to scientists in recent years. Over the next few decades perhaps no more valuable cargo will travel down the information highway of the Internet than the gene maps.

This new knowledge will not sit idly in digital databases. For once the detailed genetic structure is known and accessible, researchers will be better able to understand the function of individual genes and complex interactions among collections of genes. Once both structure and function are ascertained, diagnostic tools, therapeutic agents and preventives such as vaccines can be more easily developed. It is the American public who stands to benefit most from this new knowledge and products.

It would be difficult to underestimate the effect that biotechnology will have on health care delivery and, more to the point, on the health status of the American public and our neighbors throughout the world. In the area of